

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

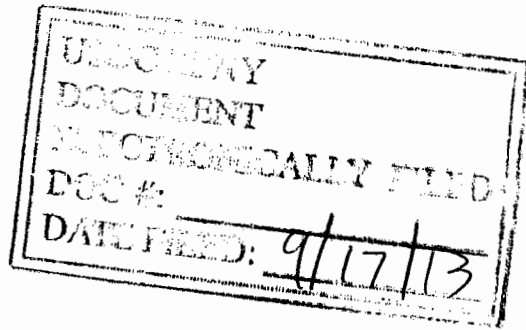
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CIMC RAFFLES OFFSHORE (SINGAPORE) :
PTE. LTD., and YANTAI CIMC RAFFLES :
OFFSHORE LTD., :
:

Petitioners, :

-v- :

SCHAHIN HOLDING S.A., SCHAHIN :
ENGENHARIA S.A., SEA BISCUIT :
INTERNATIONAL INC., BLACK GOLD :
DRILLING LLC, BAERFIELD DRILLING LLC, :
and SORATU DRILLING LLC, :
:

Respondents. :
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13 Civ. 52 (JSR)

ORDER OF CIVIL CONTEMPT

JED S. RAKOFF, U.S.D.J.

On December 26, 2012, petitioners CIMC Raffles Offshore (Singapore) Pte. Ltd. and Yantai CIMC Raffles Offshore Ltd. (collectively, "CIMC") obtained a \$71 million arbitration award against respondents Baerfield Drilling LLC ("BDL"), Soratu Drilling LLC ("SDL"), Black Gold Drilling LLC ("Black Gold"), Schahin Holding S.A., Schahin Engenharia S.A., and Sea Biscuit International Inc., six entities that are part of the Schahin family of companies. After CIMC filed a petition seeking confirmation of the arbitration award, the Court granted judgment against BDL, SDL, and Black Gold on March 13, 2013, and against the remaining three respondents, Schahin Holding, Schahin Engenharia, and Sea Biscuit International, on April 21, 2013.

The Court's Order of August 6, 2013 specified that payment was due on August 20, 2013, which the Court later extended to August 23,

2013. Now, several weeks later, the judgment debt remains mostly outstanding, with the judgment debtors having paid only about \$10 million of the \$71 million due. Accordingly, the judgment creditors have moved to hold the judgment debtors (except Sea Biscuit International Inc.) in civil contempt, and the judgment debtors have moved to stay enforcement of the judgment. Following briefing, the Court heard oral argument on September 9, 2013.

As even the judgment debtors tacitly concede, their failure to comply with the August 6 Order constitutes a basis for holding them in civil contempt. Conversely, the judgment debtors' plea to delay enforcement requests just another in the judgment debtors' long history of delaying the payment of their debts. Although the judgment debtors concede that their overall financial health is solid, their claim of short-term liquidity problems rings hollow on the evidence put before this Court; and, in any case, their claim that it will take them, despite their resources, another three months or so to pay the balance suggests, if not stalling, at least a failure to take promptly the steps necessary to fulfill their obligations. Thus, some coercive measure is appropriate to compel compliance.

Therefore, the Court hereby holds judgment debtors Schahin Holding S.A., Schahin Engenharia S.A., Black Gold, BDL, and SDL in contempt and orders that, if the judgment is not paid in full by October 1, 2013, the judgment debtors, jointly and severally, will be fined \$50,000 per day until the judgment is fully satisfied, without

prejudice to the Court's taking further action if these fines are not effective in coercing payment of the judgment in full. Each day's fine must be paid by certified check or money order in the amount of \$50,000 made payable to the "Clerk of the Court, S.D.N.Y.," to be deposited with the Clerk of the Court within two business days of the day on which each such daily fine is incurred.

SO ORDERED.

Dated: New York, New York
~~September 19, 2013~~

September 17, 2013



JES S. RAKOFF, U.S.D.J.